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SIPDIS

E.O. 12958: N/A TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

Leading media reported that PM Ehud Olmert and his wife Aliza will dine this evening with President Bush and his wife Laura. Yediot quoted Secretary of State Condoleezza Rice as saying yesterday that the political situation in Israel does not allow for the achievement

of a peace treaty with the Palestinians by the end of BushQs term.

The Jerusalem Post highlighted OlmertQs meeting with Deputy National Security Advisor Elliott Abrams and reported that Olmert is seeking a Qfinal tailwind for the Syrian track.

The global/local financial crisis dominated the weekendQs headlines. HaQaretz reported that the Finance MinistryQs budgets division wrote in a position paper at the beginning of November that the global crisis is the worst since 1929 and surmised that the impact of the world economic recession will be felt in a global and export-based economy like IsraelQs. All media reported that the Finance Ministry is leaning toward laying out a safety net for pension and provident fund participants over age 60 who earn less than double the minimum wage, 3,850 shekels (about \$960) a month.

Yesterday HaQaretz reported on Israeli defense establishment recommendations to make contingency plans to attack Iran, to reach an agreement with Syria that includes leaving the Golan and to prevent new elections in the PA, even if this means a confrontation with the U.S.

Leading media reported that Palestinian President Mahmoud Abbas threatened to announce new elections if Hamas does not compromise with Fatah. HaQaretz quoted AP as saying that yesterday Hamas denounced Hebrew-language newspaper ads outlining an Arab peace deal that Abbas published in Israeli papers.

HaQaretz quoted the IDF as saying that reoccupation of part of Gaza, should the government agree to it, will cost 17 million shekels (about \$4.225 million) per day.

Maariv reported that the Israeli defense establishment fears the appointment of Gen. James Jones to national security adviser, but hopes that Hillary Clinton, as secretary of state, will balance the U.S. administrationQs position. The newspaper reported that Arabs, in particular the Palestinians, are uncomfortable about Clinton. Yesterday HaQaretz reported that Jones wants a NATO force to operate in the West Bank.

HaQaretz and Makor Rishon-Hatzofe quoted former IDF chief of staff Moshe Ya'alon as saying in an interview with The Sydney Morning Herald this week that the West must consider all options necessary to stop Tehran's nuclear program, including assassinating Iranian President Mahmoud Ahmadinejad. HaQaretzQs web site quoted an associate of Ya'alon as saying that his comments were taken out of context.

Yesterday The Jerusalem Post cited IsraelQs concern that the U.S. will supply tanks to Lebanon.

The media reported that over the weekend three Qassam rockets landed near Ashkelon.

Yediot and The Jerusalem Post reported that several political consultants involved in Barak ObamaQs election campaign are coming to Israeli to work for Meretz and Likud.

Over the weekend the media reported on the execution by hanging of QIsraeli spyQ Ali Ashtari in Tehran, which The Jerusalem Post views as a warning to Iranian citizens.

Mideast:

Summary:

Defense commentator Amir Oren wrote in the independent, left-leaning Ha'aretz: QObama or Bibi [Netanyahu] -- that is what Scowcroft and Brzezinski are indirectly asking, in calling on Obama to immediately act in challenging the Israeli public to take a position. They are right: It is still not too late to restore what Olmert has destroyed.

Zalman Shoval, a senior Likud member and former ambassador to the U.S., wrote in the independent Israel Hayom: QThe new president might open ... to new ideas, such as Qeconomic peaceQ with the Palestinians, which Netanyahu mentioned to him.

Dov Weisglass, who was former prime minister Ariel Sharon's top diplomatic advisor, wrote in the mass-circulation, pluralist Yediot Aharonot: QThe mitigating circumstances that existed [at the time of disengagement] are no longer in force. It is difficult to believe that the new administration in Washington will be more patient and considerate than its predecessor.

Diplomatic correspondent Herb Keinon wrote in the conservative, independent Jerusalem Post: QWhat does make ... sense is to get recognition now -Q at a time when Iran is marching with determination toward the nuclear threshold Q- of a U.S. commitment to back IsraelQs right to defend itself Qby itself against any threat or possible combination of threats.

Oslo Accords architect Dr. Ron Pundak wrote in Yediot Aharonot: QTime is running out and that is why we need to promote as quickly as possible a double initiative to advance an agreement between Israel and the Palestinians and between Israel and Syria.... Achieving a Middle East of that kind is a clear American interest.

Block Quotes:

¶I. "Obama or Bibi?"

Defense commentator Amir Oren wrote in the independent, left-leaning Ha'aretz (11/24): Qolmert's visit with George W. Bush this week has no significance from a diplomatic and security standpoint. leaders are tasked solely with overseeing a smooth transition without any authority to obligate the next administrations to do anything. Bush's sway over Barack Obama's administration and Congress is next to zero.... [Conversely], The Scowcroft-Brzezinski] plan is an updated version of UN Security Council Resolution 242, which offers land for peace.... This is a realistic, even superb, plan because it is QAmericanQ and not QArab.Q It is acceptable to an overwhelming majority in Israel, save for the settlers and their supporters (and, on the other side, Hamas). If a Livni-Barak government were to arise, it would have the strength to cooperate with an Obama-Clinton administration so as to move in this direction. Kadima, Labor, and Meretz could adopt the four-point plan, which the Likud, in its current composition of Bibi-Benny-Bogey (Netanyahu, Begin and Ya'alon) cannot do. Obama or Bibi [Netanyahu] -- that is what Scowcroft and Brzezinski are indirectly asking, in calling on Obama to immediately act in challenging the Israeli public to take a position. They are right: It is still not too late to restore what Olmert has destroyed.

II. "Chemistry between the Israeli PM and the President"

Zalman Shoval, a senior Likud member and former ambassador to the U.S., wrote in the independent Israel Hayom (11/24): QJudging from messages emanating from ObamaQs entourage, his natural preference will be to with the economy, and, regarding foreign relations, Iraq, Iran, and Afghanistan... The new president might open ... to new ideas, such as Qeconomic peaceQ with the Palestinians, which Netanyahu mentioned to him at a meeting in Jerusalem (figures around Obama have testified that he was impressed by them).

III. "America against the Settlements"

Dov Weisglass, who was former prime minister Ariel Sharon's top diplomatic advisor, wrote in the mass-circulation, pluralist Yediot Aharonot (11/24): QThe American recognition of the Israeli demand for control of the large blocs and their continued development was accompanied by a demand that Israel refrain from any settlement activity in the areas outside the blocs. In the administration's opinion, Israel would leave [these areas] as part of the final status arrangements with the Palestinians, and it is forbidden to build there and change the land reality. It was the disengagement plan that prevented a public, severe crisis on the matter. The administration was impressed by the Israeli initiative, its leaders

placed their trust in Sharon, believed his statement that in the final status arrangements Israel would withdraw from the territories that had been occupied, and deeply appreciated his ability to keep his word. The mitigating circumstances that existed then are no longer in force. It is difficult to believe that the new administration in Washington will be more patient and considerate than its predecessor. Israel will be called upon to uphold its commitments immediately, and if it continues to drag its feet, this

will lead to a severe diplomatic entanglement.

IV. "Looking for Meaning in OlmertQs Last U.S. Trip"

Diplomatic correspondent Herb Keinon wrote in the conservative, independent Jerusalem Post (11/24): QIt makes little sense that Olmert went to the U.S. now in the midst of an economic meltdown of humongous proportions to talk about the \$30 million in military aid. It also makes little sense that he went to get Bush to sign on once again on the [2004] letter, especially after Olmert may have diluted the content of the letter by his declaration of a willingness to return almost fully to the 1967 lines. But what does make more than a little more than sense is to get recognition now -Q at a time when Iran is marching with determination toward the nuclear threshold Q-of a U.S. commitment to back IsraelQs right to defend itself Qby itself against any threat or possible combination of threats.

¶V. QMr. President

Oslo Accords architect Dr. Ron Pundak wrote in Yediot Aharonot (11/23): QAmerican friends of mine tell me that the chance that the new administration will do anything to promote the peace process in the Middle East is small given that it has so many other urgent problems to deal with. But we can only say: Yes you can.... Perhaps it would be best were you to begin by pushing an initiative with Syria. There will be those who say to you, among the Israeli leadership as well, that it would be best to wait with the Syrians, whose interests are not clear and who will not forego their dangerous relationship with Iran. But in the existing regional reality there can be no peace without Syria. the formula for peace has been waiting merely to be signed since 12000. Syria can be a constructive force or a destructive force and, therefore, it must not be left isolated and threatened. Having it join the circle of peace is likely to weaken the Iranians' ability to meddle in Lebanon and Gaza.... Time is running out and that is why we need to promote as quickly as possible a double initiative to advance an agreement between Israel and the Palestinians and between Israel and Syria.... A double agreement of that sort would constitute, for all intents and purposes, the realization of Israel's historic aspiration, which is anchored in the Arab League initiative: an end of the Israeli-Arab conflict and the establishment of Qnormal relationsQ between all 22 members of the Arab League and Israel. Achieving a Middle East of that kind is a clear American interest. The dangerous tension between Iran and Israel can also be reduced by means of promoting a regional peace process.... A majority of the Israeli public wants peace and is prepared to pay the price that is known to all. The problem is a lack of trust and the dreadful sense of being under permanent threat, both as individuals and as a collective. There will be no Israeli willingness to make concessions to the Palestinians and the Syrians without the sense that the world is standing by our side. That is a matter of public opinion, but who better than you knows that without supportive public opinion it is very hard to take the lead on change.

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